

## **Edwards County**

## Estimated Economic Impact of Agriculture, Food, and Food Processing Sectors 5/24/2016

Using the most recent IMPLAN data available (2014) adjusted for 2016, 13 agriculture, food, and food processing sectors were analyzed to determine their overall contribution to the Edwards County economy.<sup>1</sup>

These 13 sectors have a total direct output of approximately \$345.1 million and support 515.7 jobs in Edwards County. Running the model for all 13 sectors simultaneously produces the following results:

Agriculture, Food, and Food Processing Sector Contribution to Overall Edwards County Economy								
Impact Type <sup>2</sup>	Employment	% Employment	Total Value Added <sup>3</sup>	Total Value Added % of Gross Regional Product <sup>4</sup>	Output <sup>5</sup>	Output % of Gross Regional Product		
Direct Effect	515.7	27.37%	\$62,143,851.02	46.48%	\$345,051,924.62	258.09%		
Indirect Effect	252.9	13.43%	\$17,082,447.91	12.78%	\$31,874,819.51	23.84%		
Induced Effect	97.8	5.19%	\$6,372,068.35	4.77%	\$11,987,042.30	8.97%		
Total Effect	866.5	45.99%	\$85,598,367.28	64.03%	\$388,913,786.43	290.90%		

As shown in the above table, agriculture, food, and food processing sectors support 866.5 jobs, or 44.99% of the entire workforce in the county. These sectors provide a total economic contribution of approximately \$388.9 million, roughly 290.9% of the economy.

Another metric used to calculate the importance of sectors in an economy is their value added as a percentage of GRP. Total value added by the 13 agriculture, food, and food processing sectors is approximately \$85.6 million, or 64.03% of the GRP. This indicates that personal income, business income, and taxes generated by these sectors account for 64.03% of the total economy.

The following tables document the overall summary numbers of the model, top industries affected by employment and output, and a listing of all industries that were analyzed.

3 Value added = labor income + indirect business taxes + other property type income.

4 GRP = final demand of households + governments expenditures + capital + exports - imports - institutional sales.

5 Output = intermediate inputs + value added.

<sup>1</sup> Article on building a contribution analysis in IMPLAN that avoids double counting: <a href="http://www.implan.com/index.php?option=com\_content&view=article&id=660%3A660&catid=253%3AKB33&Itemid=70">http://www.implan.com/index.php?option=com\_content&view=article&id=660%3A660&catid=253%3AKB33&Itemid=70</a>

<sup>2</sup> Direct, indirect, and induced effects sum together to estimate the total economic contribution in the state. **Direct effects** capture the contribution from agricultural and food products. **Indirect effects** capture the economic benefit from farms and agricultural businesses purchasing inputs from supporting industries within the state. **Induced effects** capture the benefits created when employees of farms, agricultural businesses, and the supporting industries spend their wages on goods and services within the state.

In the top ten agriculture, food, and food processing sectors by employment, the beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming sector is the top employer with **218.6 employees**. This table also shows the amount of jobs that are created by the agriculture industry in Edwards County.

Top Ten Sectors by Employment					
Sector	Total Employment	Total Output			
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	218.6	\$43,643,901.73			
Grain farming	137.7	\$84,776,766.87			
Wholesale trade	103.1	\$21,634,325.18			
Support activities for agriculture and forestry	92.6	\$3,127,878.49			
Animal, except poultry, slaughtering	47.5	\$28,456,518.82			
Landscape and horticultural services	39.7	\$1,320,252.51			
Soybean and other oilseed processing	30.2	\$161,692,425.08			
All other crop farming	20.2	\$2,643,367.86			
Hospitals	13.7	\$1,892,531.94			
Dairy cattle and milk production	9.4	\$3,851,691.24			

The soybean and other oilseed processing sector directly contributes approximately \$161.7 million to the Edwards County economy. The table below also shows the amount of revenue that is generated in other industries by having a strong agriculture industry.

Top Ten Sectors by Output					
Sector	Total Employment	Total Output			
Soybean and other oilseed processing	30.2	\$161,692,425.08			
Grain farming	137.7	\$84,776,766.87			
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	218.6	\$43,643,901.73			
Animal, except poultry, slaughtering	47.5	\$28,456,518.82			
Wholesale trade	103.1	\$21,634,325.18			
Oilseed farming	9.1	\$18,092,140.83			
Dairy cattle and milk production	9.4	\$3,851,691.24			
Owner-occupied dwellings	0.0	\$3,540,378.69			
Support activities for agriculture and forestry	92.6	\$3,127,878.49			
All other crop farming	20.2	\$2,643,367.86			

Below is a summary of all agriculture data with employment levels and output level. These values can tell how many jobs are represented by each agriculture, food, and food processing sector and the output they contributed to the Edwards County economy.

All Agriculture, Food, and Food Processing Sectors				
Sector	Total Employment	Total Output		
Oilseed farming	9.1	\$18,092,140.83		
Grain farming	137.7	\$84,776,766.87		
Vegetable and melon farming	0.4	\$83,696.41		
Greenhouse, nursery, and floriculture production	1.5	\$306,658.25		
All other crop farming	20.2	\$2,643,367.86		
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	218.6	\$43,643,901.73		
Dairy cattle and milk production	9.4	\$3,851,691.24		
Poultry and egg production	0.0	\$9,024.47		
Animal production, except cattle and poultry and eggs	0.2	\$35,703.38		
Soybean and other oilseed processing	30.2	\$161,692,425.08		
Animal, except poultry, slaughtering	47.5	\$28,456,518.82		
Bread and bakery product, except frozen, manufacturing	1.3	\$139,777.18		
Landscape and horticultural services	39.7	\$1,320,252.51		

All 105 counties in Kansas have an IMPLAN model and an agriculture, food, and food processing contribution summary. These values do not factor in the retail environment of food sales. Food retail is important, but in order to provide the most accurate picture of what production agricultural and processing contributes to Edwards County, the retail sector was omitted.